

FISCAL NOTE

HB 853

April 9, 2003

SUMMARY OF BILL: Amends TCA 20-10-104, to provide that:

- in all trials in civil actions, after a verdict and a judgment for compensatory and punitive damages has been entered, including settlements approved by the court, on motion of the defendant, the trial judge shall order that punitive damages of more \$1,000,000 shall be awarded to the Board of Claims for disposition to plaintiffs with the same or similar cause of action who were awarded compensatory but not punitive damages.
- no award of punitive damages will be made to the Board of Claims until all appeals in the cause of action have been exhausted.
- punitive damages awarded to the Board of Claims shall be earmarked and kept in a special fund.
- plaintiffs who have a same or similar claim as the original plaintiff shall petition the Board of Claims for a portion of such punitive damages in the same manner as other claims are presented to the board.
- if such funds are not distributed within five years to plaintiffs who have a same or similar claim as the original plaintiff who was awarded punitive damages, such funds shall escheat to the general fund of the state.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Exceeds \$100,000 Over Time

Increase State Expenditures - Not Significant

Estimate assumes:

- a potential increase in General Fund revenue after the lapse of the five year period from unclaimed funds placed into the Claims Award Fund.
- any increase in state expenditures to the Department of Treasury, Board of Claims for operation and administration can be absorbed with existing staff and resources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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